

United States
Department of the Interior
Bureau of Land Management

Miles City Field Office

Denbury
Bell Creek Unit
MTM-16842

Determination of NEPA Adequacy
DOI-BLM-MT-C020-2013-0073-DNA

For Further Information Please Contact:

Bureau of Land Management
Miles City Field Office
111 Garryowen Road
Miles City, Montana 59301
406-233-2800

BLM



DATE POSTED: 2/01/2013

DATE DUE: 2/8/2013

Worksheet
Documentation of NEPA Adequacy (DNA)
U.S. Department of the Interior
Bureau of Land Management (BLM)

BLM Office: Miles City

NEPA Number: DOI-BLM-MT-020-2013-073-DNA

Case File/Project No: MTM16842

Proposed Action Title/Type: APDs to drill 2 vertical wells (1 injector and 1 producing well) in the Bell Creek Oil Field, and install associated flow lines, Powder River County, MT

Location/Legal Description: T. 8 S., R. 54 E., sec. 15, 16, 20, 21, 22, 28, 29, 32, & 33, and T. 9 S., R. 54 E., sec. 3 & 5., in Powder River Co, MT (See APD maps and Plan of Development (POD) for Phases 2&3).

Description of the Proposed Action: The proposed action, which takes place within the Bell Creek Unit, is to construct two well pads on fee surface, federal minerals, drill two vertical wells into the Muddy Sandstone Formation, and construct supporting infrastructure including the installation of flow line segments to associated federal and fee wells in phases 2 and 3 of the proposed project area (see POD for flow line segments).

The vertical wells will penetrate Federal minerals, and will be plugged and abandoned when these wells are no longer useful. After the wells have been plugged, the locations will be cleared of all facilities and equipment and the surface will be reclaimed. The drilling operations are proposed to start as soon as possible upon approval. Drilling operations are expected to take approximately ten days per well, followed by about ten days of completion operations per well.

Table 1

Well, Lease Number, Surface Ownership	Well Location (Fee Surface)	Pad Size (footages,) (acres & max cut/fill)	Access Road (footages) (acres)
Unit 15-14, MTM16842 Federal	T. 8 S., R. 54 E., sec. 15, SE SW 658' FSL, 1993' FWL	225'X175' (1.0 acre; 4.0' /5.0')	4,421'x16' (1.6 acres)
Unit 15-11R, MTM16842 Federal	T. 8 S., R. 54 E., sec.15, NE SW 1949' FSL, 1771' FWL	275'X325' (2.0acre; 9.6 /12.8')	1,325'x16' (.5 acres)
Total Acres Disturbed:	---	3.0 acres	2.1 acres

Access

The well sites would be approximately 1.0 miles east of Belle Creek, Montana, in Powder River County. Vehicles would access the well sites by using existing improved county or lease roads, and proposed improved access roads, (See APD Exhibits). The access road will utilize an existing two-track road to and from the primary road to the well pad. The improved access road will have a 12 foot running surface with a raised road bed with a 2 inch minimum scoria surface. "V" ditches with rounded bottoms would be constructed and culverts installed in major drainages. Total disturbance related to the construction of access roads, would be approximately 2.1 acres on Fee surface.

Well Site Construction and Drilling

The proposed actions for drilling and producing two oil wells includes constructing two well pads, road segments, and flow lines to accommodate drilling two vertical oil wells, which are located in the NE¼SW¼, Section 15, T. 8 S., R. 54 E., Powder River County, Montana.

The proposed well pads would be approximately 2 acres in size and surfaced with scoria. The surfacing would be removed from each location when the surface disturbance is reclaimed. Topsoil would be removed from the each area needed for well pad construction and saved for reclamation. Trash would be disposed of in an enclosed container at an approved landfill. Self-contained toilets and closed septic systems would be used for sewage which would be disposed of in accordance with State regulations. An 80 feet long by 40 feet wide by 8 feet deep, lined reserve pit would be excavated in "cut" material on the 15-11R location. A 40 feet long by 20 feet wide by 8 feet deep, lined reserve pit would be excavated in "cut" material on the 15-14 location. Each reserve pit would be lined with a leak resistant plastic liner a minimum of 12 millimeters in thickness. At each location, the reserve pits would be fenced during drilling operations on three sides, and when the drill rig is removed, the fence would be completed on the fourth side of each reserve pit. This is done to keep out wildlife and livestock. The reserve pits would be flagged or netted to prevent bird mortality after the completion rig is moved from location. Drilling fluids and cuttings would be contained in the pits. Pooled fluids would be vacuumed out of the reserve pits and be disposed of at an approved facility, and the pits' solids will be allowed to dry in place in the pits and be buried. Produced fluids would be contained in sealed tanks until the construction of oil production facilities are completed.

Wells would be drilled using a fresh water mud system. The wells would be drilled into the Muddy formation and casing would be cemented in place to a depth of about 4800 ft.

Shallow aquifers would be protected by setting surface casing to about 1000 ft. and cementing back to surface. Re-entered wells would use a liner cemented to surface. Potentially productive hydrocarbon zones and deeper aquifers would be isolated with casing or liner set to total depth and cemented in place. An appropriately sized BOP would be used to control the well and prevent the accidental release of hydrocarbons or salt water into the environment.

Flowline installation for Phases 2&3

One 3-inch-diameter injection line will be buried, carrying CO₂ or water from each test site manifold to each injection well site. One 3-inch-diameter production line will be buried, carrying produced fluids from each production well site to a nearby test site. Bulk lines will be installed between the test sites and EOR Facility. The bulk line diameters vary with service, but typically will be 4-, 6-, or 8-inch in diameter depending on service. Approximately 34 miles of flowlines will be installed in Phase 2.

Table 1 and Table 2 below (see POD phase 2&3) summarizes the acres and miles of pipelines. Common corridors will be used for lines whenever possible, thereby reducing the impacted acreage significantly. A 50-foot-wide corridor of disturbance is expected along the injection and production line routes. A 100-foot-wide corridor of disturbance would be expected along the bulk line routes. These corridors will be disturbed by construction activities, and will be expected to be reclaimed within 6 months or as soon as environmental conditions are appropriate after a specific activity has been completed. Final reclamation will occur within 6 months or as soon as environmental conditions are appropriate following the end of the life of the project.

Table 1 Flowline Summary, Phase 2

		Federal Surface	Federal Mineral	Private Surface	Total
Injection lines 50-ft.ROW	Acres	0	4.4	50.8	55.2
	Miles	0	.72	13.0	13.7
Production lines 50-ft. ROW	Acres	0	.97	46.1	47.1
	Miles	0	.16	14.7	14.9
Bulk Lines 100-ft. ROW	Acres	0	0	25.9	25.9
	Miles	0	0	5.4	5.4

Table 2 Flowline Summary, Phase 3

		Federal Surface	Federal Mineral	Private Surface	Total
Injection lines 50-ft.ROW	Acres	1.4	1.3	71.7	73.1
	Miles	0.2	.2	36.1	36.3
Production lines 50-ft. ROW	Acres	1.9	5.9	76.5	78.4
	Miles	0.3	.97	42.5	42.8
Bulk Lines 100-ft. ROW	Acres	0	0	19.7	19.7
	Miles	0	0	4.0	4.0

Applicant: Denbury Onshore, LLC.

County: Powder River County, MT

DNA Originators: Rick Lang, Natural Resource Specialist

B. Land Use Plan (LUP) Conformance

LUP Name* Powder River RMP Date Approved 3/85

Other document** _____ Date Approved _____

Other document** _____ Date Approved _____

Other document** _____ Date Approved _____

**List applicable LUPs (for example, resource management plans; activity, project, management, or program plans; or applicable amendments thereto)*

☐ The proposed action is in conformance with the applicable LUPs because it is specifically provided for in the following LUP decisions:

☒ The proposed action is in conformance with the LUP, even though it is not specifically provided for, because it is clearly consistent with the following LUP decisions (objectives, terms, and conditions)

As required by 43 CFR 1610.5, the Proposed Action is in conformance with the terms and the conditions of the BLM 1984 Powder River Resource Management Plan (RMP), as amended by the Miles City District Oil and Gas FEIS/Amendment (BLM 1994) and the Montana Statewide Oil and Gas FEIS/Amendment of the Powder River and Billings RMPs (Montana FEIS) (BLM 2003a).

C. Identify applicable National Environmental Policy Act (NEPA) document(s) and other related documents that cover the proposed action.

List by name and date all applicable NEPA documents that cover the proposed action.

[EA#: MT-C020-2012-089](#), Denbury Onshore, LLC Enhanced oil Recovery Project

List by name and date other documentation relevant to the proposed action (e.g., source drinking water assessments, biological assessment, biological opinion, watershed assessment, allotment evaluation, rangeland health standard's assessment and determinations, and monitoring the report).

Plan of Development, Enhance Oil Recovery Project Phases 2 & 3

[S:\NEPA EA\Denbury EOR Project\Phase 2&3](#)

Cultural Report MT-020-12-290 & MT-020-13-153

Paleontology Report: MT-020-13-73

D. NEPA Adequacy Criteria

- 1. Is the new proposed action a feature of, or essentially similar to, an alternative analyzed in the existing NEPA document(s)? Is the project within the same analysis area, or if the project location is different, are the geographic and resource conditions sufficiently similar to those analyzed in the existing NEPA document(s)? If there are differences, can you explain why they are not substantial?** The existing analyses are adequate with regard to the proposed action. The referenced EA analyzed impacts related to the Enhanced Oil Recovery project in the same geographical area. In addition, the RMP covers installation of flow lines. No significant new information or circumstances related to the proposed action have developed since completion of the referenced EA. The referenced EA was completed in the year 2012.
- 2. Is the range of alternatives analyzed in the existing NEPA document(s) appropriate with respect to the new proposed action, given current environmental concerns, interests, resource values?** Yes, the RMP and EA analyzed alternatives, including "No Action".
- 3. Is the existing analysis valid in light of any new information or circumstances (such as rangeland health standard assessment, recent endangered species listings, updated lists of BLM-sensitive species)? Can you reasonably conclude that new information and new circumstance would not substantially change the analysis of the new proposed action?** The existing analyses are adequate with regard to the proposed action. No significant new

information or circumstances related to the proposed action have developed since completion of the referenced EA. The referenced EA was completed in 2012.

4. **Are the direct, indirect and cumulative effects that would result from implementation of the new proposed action similar (both quantitatively and qualitatively) to those analyzed in the existing NEPA document?** Yes, the actions proposed would have the same direct and indirect impacts as those analyzed in the RMP, and more specifically addressed in the referenced EA.
5. **Are the public involvement and interagency review associated with existing NEPA document(s) adequate for the current proposed action?** Yes, the RMP/FEIS had public and interagency review in its analysis. In addition, the public has had opportunity to review our EA upon the MCFO posting period, while the specialists were involved in the EA approval.

E. Interdisciplinary Analysis: Identify those team members conducting or participating in the preparation of this worksheet.

REVIEWERS	TITLE	ASSIGNMENT	DATE/INITIALS
Jesse Hankins	Wildlife Biologist	Wildlife	JCH 2/7/13
CJ Truesdale	Archaeologist	Cultural/Paleo	CJ 05/20/2013
Paul Helland	Petroleum Engineer	Downhole	2-6-2013/PH
Dan Benoit	Supervisory NRS	Reviewer	5/31/13 DAB



Environmental Coordinator

6/3/2013

Date

F. Mitigation Measures: List any applicable mitigation measures that were identified, analyzed, and approved in relevant LUPs and existing NEPA document(s). List the specific mitigation measures or identify an attachment that includes those specific mitigation measures. Document that these applicable mitigation measures must be incorporated and implemented.

See Conditions of Approval Below

CONCLUSION

- ☒ Based on the review documented above, I conclude that this proposal conforms to the applicable land use plan and that the NEPA documentation fully covers the proposed action and constitutes BLM's compliance with the requirements of NEPA.

Note: If one or more of the criteria are not met, a conclusion of conformance and/or NEPA adequacy cannot be made and this box cannot be checked



Todd D. Yeager
Field Manager
Miles City Field Office

6/04/2013
Date

MITIGATION MEASURES/REMARKS CONDITIONS OF APPROVAL

Site Specific:

1. Surface use will not occur from December 1 to March 31 for the protection of mule deer winter range.
2. Surface use will not occur from March 1 to June 15 for the protection of nesting sharp-tailed grouse.
3. Migratory Bird Treaty Act. The Operator is responsible for compliance with provisions of the Act by implementing one of the following measures; a) avoidance by timing; ground disturbing activities will not occur from April 15 to July 15, b) habitat manipulation; render proposed project footprints unsuitable for nesting prior to the arrival of migratory birds (blading or pre-clearing of vegetation must occur prior to April 15 within the area scheduled for activities between April 15 and July 15 of that year to deter nesting, or c) survey-buffer-monitor; surveys will be conducted by an operator funded, BLM approved biologist within the area of the proposed action and a 300 foot buffer from the proposed project footprint between April 15 to July 15 if activities are proposed within this timeframe. If nesting birds are found, activities would not be allowed within 0.1 miles of nests until after the birds have fledged. If active nests are not found, construction activities must occur within 7 days of the survey. If this does not occur, new surveys must be conducted. Survey reports will be submitted to the BLM-Miles City Field Office.

A. Access Road:

1. The proposed access roads shall be constructed according to the approved APD for each proposed location.
2. The proposed access roads shall be surfaced with scoria.
3. The operator shall be responsible for locating and protecting existing pipelines, power lines, telephone lines and other related infrastructure.
4. The operator shall be responsible for obtaining all necessary authorizations and permits related to conducting operations for the proposed wells.
5. No construction or routine maintenance activities shall be performed during periods when the ground is not frozen or is too wet to adequately support construction equipment. If such equipment creates ruts in excess of 4 inches deep upon travel ways, the soil shall be deemed too wet to adequately support construction equipment.
6. Vehicle traffic shall be confined to the approved access road and well sites. Off-road vehicle travel is not authorized. Maintain existing roads in good condition.
7. All access roads would be constructed according to Surface Operating Standards and Guidelines (The Gold Book) for road shape and drainage features at all times during construction.

B. Production Facilities:

1. The proposed location of production facilities shall be as described in the approved APDs.
2. The location shall be cleaned up of all debris, material and equipment after completion of construction activity.
3. The well pads shall be surfaced with scoria.
4. All above ground facilities shall be painted Covert Green 18-0617TPX within six months of well completion and maintained as such to comply with visual quality objectives. The landowner may specify a different color on facilities located on private lands.
5. Heater treater, incinerator and combustor exhaust stacks shall be fitted with an “exhaust cone” to prevent mortality to bats and nesting birds.

C. Waste Disposal:

1. Any materials classified as nonexempt hazardous wastes shall be disposed of in an EPA approved facility.

2. Burning of materials or oil is not allowed.

D. Well Site Layout:

1. Straw wattles shall be placed on the fill side of the pads and at the bottom of stockpiled topsoil and pit material to prevent material from entering drainages.
2. The well pads shall be constructed in accordance with the "cut/fill" diagram submitted in the corresponding approved APD.
3. At the beginning of construction, 6" of topsoil, if available, shall be removed entirely from each pad and areas of surface disturbance during the construction of roads and facilities, and stockpiled separately from overburden stockpiles for reclamation.
4. The topsoil and subsoil shall be stockpiled as designated in the APDs to prevent impacts to drainages. Erosion control measures, such as geotextiles, water bars, silt fence or certified weed-seed free straw or hay wattles, shall be installed on 3:1 or steeper slopes, or on slopes with bare soil.
5. Equipment cannot be stored on stockpiles.
6. A 2' high earthen dike shall be constructed along the "fill" sides of the well pads during drilling operations.

E. Flowlines

1. All construction activities shall be contained within the approved corridor as proposed. Any variation from the approved route must be approved in advance by this office.
2. Vegetation removal from the proposed pipeline corridor shall be kept to a minimum to allow existing vegetation to re-establish in disturbed area. Blading to mineral soil is only allowed in areas where it is necessary to construct a level surface for equipment to operate.
3. No construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support construction equipment. If such equipment creates ruts in excess of 4 inches deep, the soil shall be deemed too wet to adequately support construction equipment.
4. At drainage crossings, the pipeline shall be installed perpendicular to the drainage and banks must be reduced to maximum 3:1 slopes.
5. Erosion control measures, such as water bars or wattles, shall be installed on 3:1 or steeper slopes or on slopes with bare soil.

6. The pipeline must be tested for leaks before backfilling the trench. Testing shall be done to accepted industry standards. Written records of testing shall be available to BLM upon request.
7. Immediately following the pipeline testing, the open trench must be backfilled and properly compacted to prevent settling, especially in drainage bottoms. Drainages must be restored to their original grade and left in free-flowing condition. Topsoil shall be spread evenly over the disturbed area after the trench has been backfilled and compacted.
8. The pipeline corridor must be cleaned up of all debris, material and equipment after completion of the construction activities. All abandoned surface pipelines must be removed and disposed of properly. All abandoned buried pipelines must be purged with fresh water and plugged at least 3' below ground level.

E. Drilling Operations:

1. The reserve pits shall be fenced on three sides during the drilling phase of the operation, and when the rig moves off location, the fourth side shall be enclosed. The fence shall be constructed to the following requirements: posts to be no more than 16' apart; fence wire: four wires of at least 12.5 gauge, double strand twisted; two stays between posts; wire stretched taut between brace panels, wire spacing from the ground up: 14", 22", 30", 42". Steel panels may be used to fence the pits. If steel panels are used, a steel post shall be placed every 50' to reinforce panels. Fence shall be maintained to prevent livestock and wildlife from entering the area.
2. Storage tanks must be on the pad and surrounded with a dike and trench sloped to the reserve pits.
3. A minimum of 2 feet of freeboard must be maintained above the fluid level in the reserve pits.
4. The reserve pits shall be lined with a leak resistant reinforced polyethylene liner as prescribed in the Gold Book. The liners shall be installed in accordance with the manufacturer's requirements on a surface covered with material that would not tear or puncture the liners.
5. Water bars shall be constructed on all 3:1 or steeper slopes and drainages shall be restored to original grade.
6. Any variation from the approved route must be approved in advance by this office.
7. The operator is responsible for the suppression of any fires started as a result of operations. The contractor must have the necessary equipment, including fire extinguishers or water, to provide initial suppression of fire.

8. For reentering plugged and abandoned wells proposed to be injection well (15-11R) the following conditions apply:
- a) If H₂S is encountered in excess of 100 ppm in the gas stream, the operator shall immediately ensure control of the well, suspend drilling ahead operations (unless detrimental to well control), and obtain materials and safety equipment to bring the operations into compliance with applicable provisions of Onshore Order No. 6. The operator shall notify the authorized officer of the event and the mitigating steps that have or are being taken as soon as possible, but no later than the next business day.
 - b) A variance is granted to use a work over rig BOP with no annular preventer and no choke manifold tested to a minimum of 500 psi.

Notice

Receipt of this approval does not constitute Montana Board of Oil & Gas Conservation (MBOGC) approval for subsurface injection. Facility construction and injection cannot occur until approval has also been received from the MBOGC pursuant to 36.22.601 or 36.22.1403 of the Administrative Rules of Montana.

Stipulation

Any changes from this approved permit require re-submittal via new APD or Sundry Notice, as appropriate, and issuance of a new BLM approval prior to commencement of operations.

9. For drilling new wells proposed to be producing oil wells (1514) the following condition applies:
- a) If H₂S is encountered in excess of 100 ppm in the gas stream, the operator shall immediately ensure control of the well, suspend drilling ahead operations (unless detrimental to well control), and obtain materials and safety equipment to bring the operations into compliance with applicable provisions of Onshore Order No. 6. The operator shall notify the authorized officer of the event and the mitigating steps that have or are being taken as soon as possible, but no later than the next business day.
 - b) All pressure control equipment shall be in compliance with Onshore Order # 2 for a 3M system.

F. Interim Reclamation:

1. Interim reclamation shall occur within 6 months after completion of the well.

2. All disturbed areas not needed for production must be reclaimed and shall be scarified to a depth of 18 inches and re-contoured to the original contours with proper drainage established. Certified weed seed free mulch must be crimped into the soil at a rate of 1 ton per acre before seeding. All disturbed areas shall be seeded after October 1 (before ground freezes) or prior to May 15 (after ground thaws) at 6" drill row spacing at a depth of ¼" to ½" with the surface owner's preferred seed mixture on fee surface and BLM seed mix on federal surface (shown below). The seed mix shall be a certified weed-seed-free.
3. Interim reclamation shall be evaluated as a success if the area of disturbance is not needed for long-term operations are stabilized and re-contoured. Where all potential water erosion is effectively controlled and the vegetative stand is establish with at least 60% perennial native vegetation.

G. Pit reclamation:

1. The fluids from the pit shall be removed from the pit or the pit shall be netted to prevent entry of migratory birds at the conclusion of drilling operations. All pit(s) shall be emptied of all fluids within 90 days after well completion.
2. The pit shall not be cut or trenched.
3. The pit material shall be covered with a minimum of 3' of soil.

H. Final Reclamation:

1. A Sundry Notice shall be submitted to this office for Final Reclamation approval. The plan shall address the well sites and access roads.
2. The reclamation shall be evaluated as a success if the previously disturbed area is stabilized and character of land is to its pre-disturbance condition. Where all potential water erosion is effectively controlled and the vegetative stand is established with at least at 60% perennial native vegetation.
3. The well sites and access roads shall be re-contoured. Re-contoured areas shall be scarified, mulched and seeded. After scarification to a depth of 18 inches, topsoil must be spread evenly over the re-contoured area. Weed-free straw mulch must be then applied evenly over the re-contoured area at a rate of 1 ton per acre. The mulch must be crimped into the soil. The re-contoured area must then be seeded with a weed-seed-free seed mixture prescribed by the surface owner on fee surface.

2. Verbal Notifications

The following notifications shall be made to the BLM, Miles City Field Office (MCFO) (406) 233-2800, or after business hours to the appropriate individual's home phone shown on the list attached.

- A. Notify this office verbally at least 48 hours prior to beginning construction.

- B. Notify this office verbally at least 12 hours prior to spudding the well (to be followed up in writing within 5 days).
 - C. Notify this office verbally at least 12 hours prior to running any casing or conducting any BOP tests (to be followed up in writing within 5 days).
 - D. Notify this office verbally at least 6 hours prior to commencing any DST test.
 - E. Notify this office verbally at least 24 hours prior to plugging the well to receive verbal plugging orders.
 - F. Notify this office verbally at least 24 hours prior to removal of fluids from the reserve pit.
3. A complete copy of the approved Application for Permit to Drill (APD), including conditions, stipulations, and the H2S contingency plan (if required) shall be available for reference at the well site during the construction and drilling phases. A copy of the approved Surface Use Plan of Operations and Conditions of Approval (COAs) shall be provided to the surface owner(s) prior to initiating construction.
4. This drilling permit is valid for either two years from the approval date or until lease expiration, whichever occurs first.
5. If any cultural values (sites, artifacts, human remains, etc.) are observed during operation of this lease/permit/right-of-way, work is to be stopped immediately and resources are to be left intact and the Miles City Field Manager notified. The authorized officer would conduct an evaluation of the cultural values to establish appropriate mitigation, salvage or treatment. The operator is responsible for informing all persons in the area who are associated with this project that they would be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, the operator is immediately to stop work that might further disturb such materials, and contact the authorized officer (AO). Within five working days, the AO would inform the operator as to:
- A. whether the materials appear eligible for the National Register of Historic Places;
 - B. the mitigation measures the operator would likely have to undertake before the site can be used (assuming in situ preservation is not necessary); and,
 - C. a timeframe for the AO to complete an expedited review under 36 CFR 800.11 to confirm, through the State Historic Preservation Officer, that the findings of the AO are correct and that mitigation is appropriate.

If the operator wishes, at any time, to relocate activities to avoid the expense of mitigation and/or the delays associated with this process, the AO may assume responsibility of identification, recordation and stabilization of the exposed materials or what may be required for mitigation. Otherwise the operator would be responsible for mitigation costs. The AO would provide technical and procedural guidelines for the conduct of mitigation. Upon verification from the AO that the required mitigation has been completed, the operator would then be allowed to resume construction.

If any cultural or paleontological resources are unearthed/discovered during the construction of the proposed Denbury APD's and associated activities, the operator shall cease work immediately and contact the appropriate official at the Bureau of Land Management Miles City Field Office as soon as possible, 406-233-2800.

6. The Operator shall be responsible for control of noxious weeds occurring as a result of lease operations. The surface owner shall be responsible for approval of the weed control program on fee surface. The weed control program on BLM administered surface will require the approval of the Authorized Officer.
7. The abandonment marker shall exhibit the same information required for the well sign. The abandonment marker (steel plate welded to surface casing 4' below ground level) shall be installed when the well is plugged.
8. Additional requirements may be imposed if changes in operational and/or environmental conditions dictate.
9. This office shall be notified in writing if the well pad has been constructed but no drilling operations have been initiated within 6 months of the construction.

You have the right to request a State Director Review of this decision and these Conditions of Approval pursuant to 43 CFR 3165.3(b). An SDR request, including all supporting documentation must be filed with the Montana State Office, State Director (MT-920) at 5001 Southgate Drive, Billings, Montana 59101-4669 within 20 business days of your receipt of this decision. If adversely affected by the State Director's decision, it can be further appealed to the Interior Board of Land Appeals (IBLA) pursuant to 43 CFR 3165.4, 43 CFR 4.411, and 43 CFR 4.413. Should you fail to timely request an SDR, or after receiving the State Director's decision, fail to timely file an appeal with IBLA, no further administrative review of this decision would be possible.

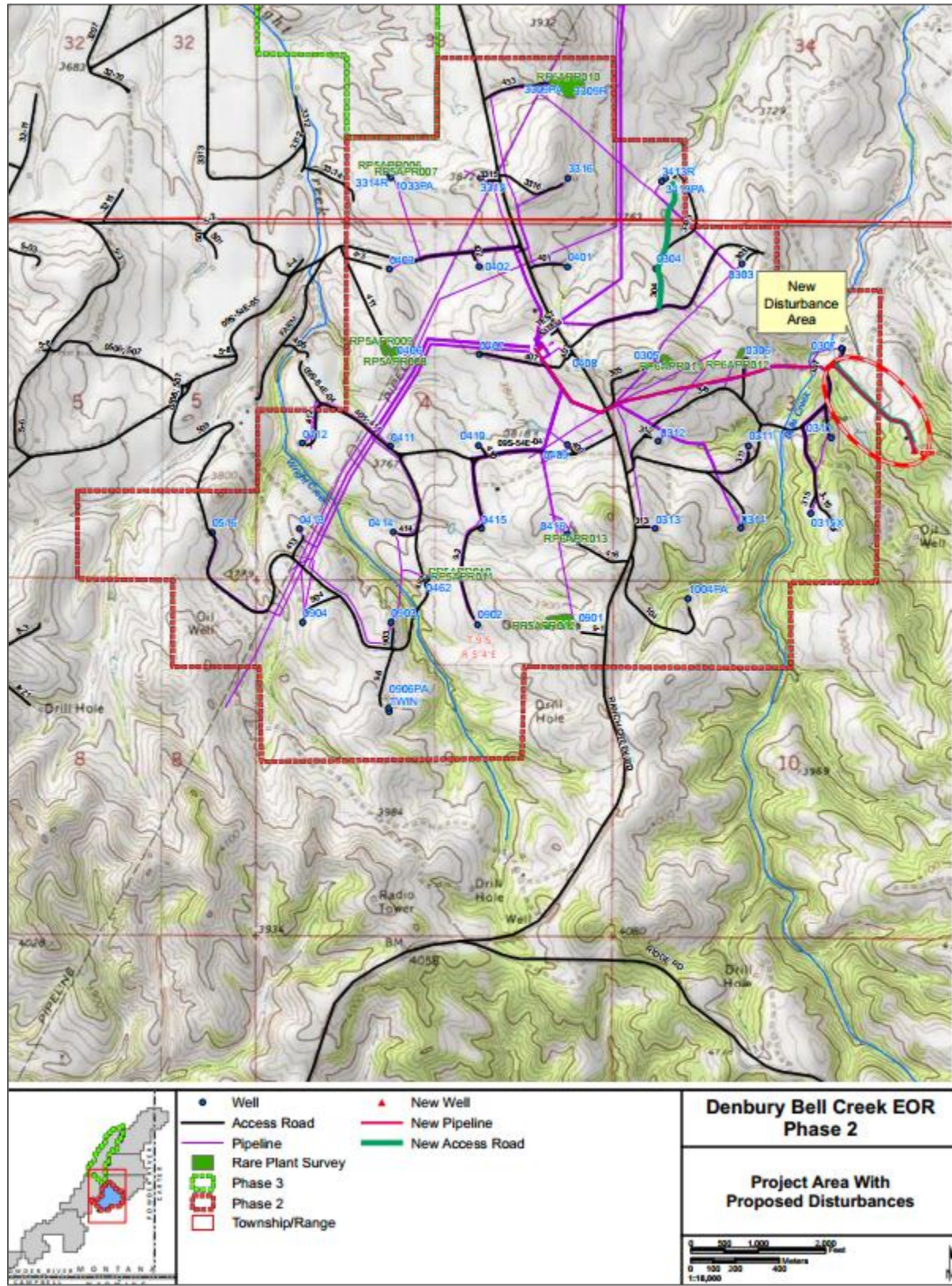


Todd D. Yeager
Field Manager
Miles City Field Office

6/04/2013

Date

Map 1- Phase 2



Map 2-Phase 3

